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Office for Information
Technology Policy

EX PARTE OR LATE FILED

ALA American Library Association

October 24, 1996

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW Room 222
Washington, DC 20554

Dear Mr. Caton:

Today, the American Library Association sent a letter and various editorial pieces and articles addressing universal service and discounted rates for libraries and schools to the members of the Federal State Joint Board on Universal Service. A copy of the letter and attachments are enclosed.

Sincerely,

Carol C. Henderson

Carol C. Henderson
Executive Director
Washington Office
American Library Association

Enclosures

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Office for Information
Technology Policy

ALA American Library Association

October 24, 1996

The Honorable Reed E. Hundt, Chairman
Federal Communications Commission
1919 M Street, NW Room 814
Washington, DC 20554

Dear Chairman Hundt:

As a member of the Federal State Joint Board on Universal Service, I thought you might be interested in seeing the recent enclosed editorials, opinion pieces, and articles on the subject of universal service and discounted rates for libraries and schools.

We appreciate the time and careful attention you have been giving to the role of libraries and schools as vehicles to promote universal service in the next century communications infrastructure.

Sincerely,

Carol C. Henderson

Carol C. Henderson
Executive Director
Washington Office
American Library Association

Enclosures

CC: William F. Caton

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Mary R. Somerville

Gateways to Cyberspace

Discounts for libraries and schools are an investment in the future.

Barely a century after his words were carried across the first telephone wire, Alexander Graham Bell's invention can be found in almost 95 percent of American homes. This universality, taken so much for granted, is no accident. It is the result of carefully crafted government policy intended to ensure that all American have affordable access to this "lifeline" service.

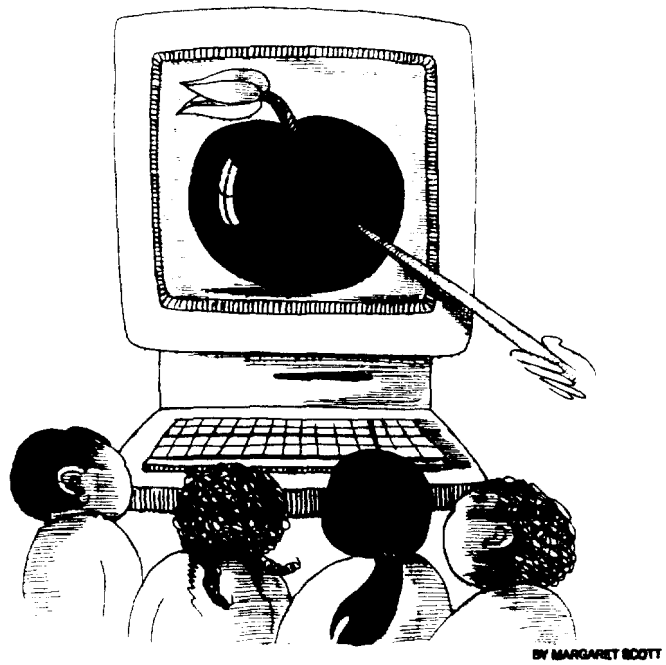
The concept of universal service has been drastically revamped in the new Telecommunications Act of 1996 to address issues raised by development of the information superhighway. In the act, Congress designated libraries and schools as universal service providers charged with extending public access to this vital new information technology. But it left the details to the Federal Communications Commission (FCC).

President Clinton has urged that all schools and libraries be given free basic access to the Internet, with the cost to be subsidized by telecommunications carriers. The president's proposal, similar to those endorsed by the American Library Association and education groups, also calls for discounted telecommunications rates for higher-speed Internet services based on the ability of schools and libraries to pay.

Free is good, but it is the second, more complex, part of the president's proposal that will determine whether all Americans have access to the information they need to live, learn and work in the 21st century. Many of the most highly publicized opportunities, such as the digitized collections of the Library of Congress, university classes on-line, audio and video conferencing and multimedia encyclopedias—all of which depend on the ability to transmit sound and images—will be available only to those with higher-speed access.

Without significant discounts, it will be impossible for many libraries, especially those in rural and low-income areas, to offer a full range of electronic services. And their users will be left riding the information superhighway in a horse and buggy.

Libraries always have been "universal service" providers. Supported almost entirely by tax dollars, they provide books, magazines and a host of other information resources to people of all ages and backgrounds. Costly print reference works, such as encyclopedias, have long been available to most people only through libraries. The same will be true for many on-line services.



BY MARGARET SCOTT

In recent years the Internet has grown by leaps and bounds, both in the number of people using it and in the quantity and quality of the information available. But access is far from universal. High tech is also high cost. A few users at private companies, research laboratories and the like already have advanced access and can afford to keep up with the pace of change. But on-line services are out of reach for many Americans.

The most recent numbers show that fewer than 20 percent of households have access to the World Wide Web. Those with home access are limited by the capacity of a telephone line. Yet more and more of the most interesting and innovative information resources require faster data transmission and multimedia computers capable of displaying high-resolution graphics and producing sound. The disparity between the services available and the limitations of most home computers will continue to grow.

For those who cannot afford or have no other access to on-line information resources, libraries are natural access points. Furthermore, if properly supported, libraries can provide "leading edge" services that, for technical or economic reasons, cannot yet be brought to most homes or small businesses.

The number of public libraries connected to the Internet is growing rapidly. But it is still less than 50 percent. For rural libraries, it is less than a third. For libraries in isolated areas, forced to pay long-distance rates, telecommunications costs are a major roadblock.

In New York, the head of the nation's largest library system estimates that higher-speed connections would increase the library's telecommunications bill from $500,000 a year to $1 million.

Significant discounts for libraries and schools are an investment in the future. Consumers will benefit from affordable, shared access to leading-edge information services. Business will benefit from exposure that public access gives to new products and services—and from a more knowledgeable and capable work force.

Libraries have a critical role in preparing our nation to be competitive in a global information economy. Kids who aren't logged on and literate will be lost in the 21st century. So will adults who have not mastered the technology skills they need. Libraries are perfectly positioned to provide the computers, connections and training to help Americans of all ages become adept users of on-line information.

The deadline is fast approaching for the FCC to determine just how universal the information superhighway will be. Libraries must be fully equipped and supported to be the public's gateway into cyberspace.

The writer, director of the Miami-Dade County Library System, is president of the American Library Association

UNIV SERV

THE WASHINGTON POST OCT 23 1996 A23

A Nation Ponders Its Growing Digital Divide

Weighing Costs of Information-Age Access for Every School and Library

By STEVE LOHR

The Warren County Library serves 7,000 people in rural Georgia. But the distance separating the community library from the information age is measured not in miles but in dollars.

Sandra Green, the librarian, has a total budget of $38,000 a year that must pay for everything, from staff salaries to utility bills. The library has a three-year-old personal computer, but it is not linked to any networks.

"If we could get help to get on the Internet, it would be great," Ms. Green said. "If that ever happened, it would enlighten a lot of people here."

Ms. Green's hopes for crossing America's digital divide, and the hopes of many thousands of libraries and schools, rest with a little-known, eight-member board of Federal regulators and state officials. The joint board held its final meeting on Thursday in Washington, and by Nov. 7 it must recommend how to give libraries and elementary and secondary schools access to modern telecommunications services at discount prices.

The special treatment for libraries and schools is the result of an amendment in the Telecommunications Act of 1996, which was signed into law in February. These educational institutions, Congress decided, should be given subsidies so that people of all backgrounds, especially children, have access to the tools of information technology.

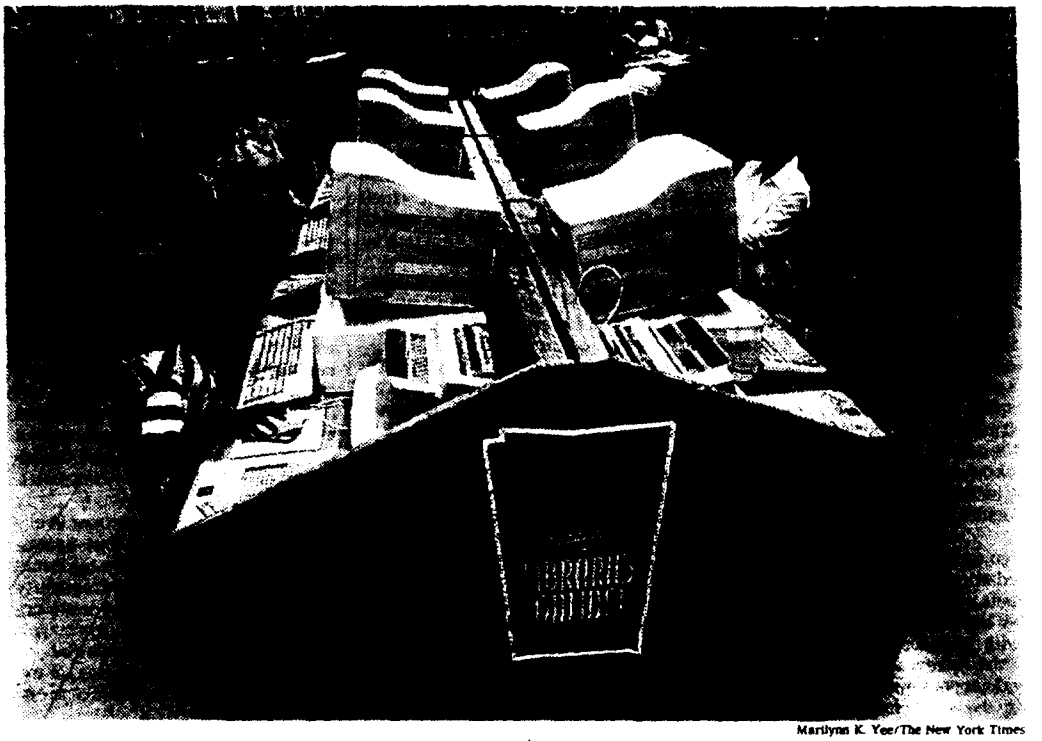
Without measures to insure access, many Senators and Representatives warned, telecommunications deregulation could well have the unintended consequence of widening the gap between society's haves and have-nots.

Yet while the amendment to help schools and libraries is sweeping in scope, the language is vague. It speaks of "enhanced services," which nearly everyone involved in the issue takes to mean Internet access. But it also discusses making services "affordable," which is an invitation for debate.

Congress left it for the joint board to wade through the intricate economics and politics of how to institute the preferred terms for schools and libraries — as well as overhaul the longstanding "universal service" provisions, a system of payments and subsidies to insure that telephone service is available to all the nation's households.

So the eight-person board is faced with somehow trying to determine how much help schools and libraries should get and at what cost. The board includes three members of the Federal Communications Commission, four state utility commissioners and the public counsel for Missouri, who is designated a consumer representative. The board's recommendations will form the basis for rules that the F.C.C. will issue by May.

There is plenty of debate within



Marilynn K. Yee/The New York Times

Going on line at the Flatbush branch of the Brooklyn Public Library at 22 Linden Boulevard. A national panel will soon recommend how the Government should help libraries gain more access to the information age.

> Any educational discounts will eventually be paid for by taxpayers.

attracted attention at the highest level of the Government. President Clinton's frequently mentioned "bridge to the 21st century" is in good part a high-technology vision, with school children logging onto the Internet.

On Oct. 10, during a speech in Knoxville, Tenn., the President called on the joint board to give every school and library basic Internet service for free, which he called an "E-rate," or educational rate. "I urge the F.C.C. and the state regulators who have a say in this to make the E-rate a reality for our schools," Mr. Clinton said. "This is a big deal."

Reed E. Hundt, the F.C.C. chairman, is the joint board's leading proponent of generous support, quickly granted, for schools and libraries. While only 9 percent of America's classrooms have access to the Internet today, Mr. Hundt talks ambitiously about wiring them all in the next five years.

In his view, the Government should guide technology investment in the interests of social equity. "The dawning of the information age represents an opportunity for equality that we have not enjoyed since Horace Mann first championed the idea

said.

Other members of the joint board are reluctant to go as far as Mr. Hundt. The board's role, they say, is to devise a plan of balanced economic regulation rather than to champion social change, which could be quite costly. The discounts for schools and libraries will be covered by payments from telephone companies, but those charges will be passed along to phone customers.

The legislation, some members of the joint board note, calls for preferred rates for enhanced telecommunications services but does not stipulate providing services for free.

In addition, Mr. Hundt believes that schools and libraries should have help to pay for wiring up computer networks. But others on the board say the subsidies should only cover services and not equipment.

"There is a concern among several members of the board that we could really balloon the cost of the program," said Rachelle B. Chong, an F.C.C. commissioner. "And ratepayers are all going to have to pay for this."

The Administration estimates that the cost of linking schools and libraries to the Internet would be as much as $2.5 billion annually for five years. The Consumer Federation of America estimates that would add 50 cents a month, or $6 a year, to the average American's home phone bill.

The joint board, analysts say, must also develop a formula to insure that schools and libraries in the poorest areas get the most help. Otherwise, they say, the institutions in more

biggest beneficiaries.

For schools and libraries, a 50-percent discount for telecommunications and Internet services is a frequently mentioned figure. "But without some sort of means test, the wealthy communities would benefit the most from the discounts because they could afford to purchase the most services," said Mark Cooper, director of research for the Consumer Federation of America.

More than discount-rate telecommunications services, to be sure, will be needed to help close the digital divide between wealthy and poorer communities. The Microsoft Corpo-

> The gap between haves and have-nots is in danger of widening.

ration, for example, supports 215 libraries in low-income urban and rural areas. In the program, Microsoft provides hardware, software and training for libraries, which must pay the telecommunications costs themselves.

"The telecommunications is part of the puzzle, but only one part," said Christopher Hedrick, who heads the library program for Microsoft. "Real technology access for poorer areas requires public and private-

Learning process

The telecommunications industry hurts itself by opposing free 'Net access to schools and libraries.

Well before the ink dried on the 1996 Telecommunications Act signed in February, the Federal Communications Commission (FCC) had begun wrestling with the rules needed to put the law in motion.

Now the time is near for the FCC to decide an issue vital to students, parents, patients and anyone who cares to be an informed citizen.

The law calls upon companies to provide basic Internet services to schools, libraries and hospitals at a discounted rate. On Nov. 8, the FCC is scheduled to set the discount.

The best idea is to offer the biggest discount of all: The FCC should have the gumption to uphold the public interest and give all schools and libraries free access to basic services.

In the new law, giant communications companies got much of the freedom to wheel and deal, and to market information, that they lusted after. To nimble media companies, this freedom could be worth billions.

What members of the public got from the law — particularly as citizens, rather than just consumers — is less clear. Free access is one way to complete the quid pro quo.

The Clinton administration blew its chance to secure free access during the lobbyist-led dealmaking that preceded final passage of the Telecommunications Act. President Clinton got around to endorsing free access in a speech this month.

It would be heartening to see at least one arm of the administration do the right thing on principle.

The move also would demonstrate the federal government understands what Internet access for every citizen can do to turn Americans into the lifelong learners the nation's economy requires.

And that it understands how dangerous the potential gap between the haves and have-nots of computer-based technology could be to democracy.

Free service for these institutions undoubtedly would draw outraged screams from telecommunications companies. Such howls would be not only selfish but shortsighted: Libraries and schools could expand the public's understanding of — and appetite for — the services the corporations want to peddle.

Instead, media firms spent $24 million and sent 92 lobbyists to Capitol Hill to argue against any such deal this year. Given that reality, it's more likely the FCC will take the expedient path of discounted rates (underwritten by the kind of industry-financed fund that now subsidizes rural phone service).

Short of calling for free service, the FCC should make sure the discounted rate is truly "affordable," as the act states.

A coalition of groups, including the American Library Association and the National School Board Association, wants the pricing to be structured so that firms can't simply pass library and school costs onto residential customers. It also wants to make sure the discount applies to new forms of connection that might develop in this rapidly changing technological landscape.

By 2000, as many as 60 percent of American jobs will require computer skills. Schools and libraries can play a huge role in teaching these skills — but not if the cost of hardware and access cripples them.

Information is not just a highly marketable commodity. It's the lifeblood of democracy. It helps dispel the ignorance that breeds fear, and empowers citizens to make wise choices. Let's help libraries and schools help us *all* tap the information riches of a wired world.

The Philadelphia Inquirer

Monday, October 21, 1996

EDITORIAL PAGE
The Capital Times ■ The Weekend of Oct. 19-20, 1996

Getting wired just first step

Next month, thousands of volunteers will descend on several hundred schools around Wisconsin to literally pull them into the 21st century.

The volunteers working with Wiring Wisconsin on Nov. 16 will be pulling copper wire and fiber optic cable into schools to enable them to hook up to the Internet.

It's a noble effort that will help schools — and public libraries — cross one of the four major hurdles to giving all students and citizens access to the technology that is shaping the future.

Make technology accessible
Agenda item of The Capital Times

Getting schools, classrooms and libraries wired is clearly the first step. Buying computers and software is the second. Training teachers and librarians to use them properly is the third.

Those three start-up steps are expensive, but they are one-time expenses. The fourth step — continued high-speed, high-quality access to the Internet — is an ongoing and potentially very expensive cost.

Action going on in Washington right now can help make that access more affordable for schools and libraries. They are the entry points to the digital world for ordinary citizens. In the past, they opened the doors to knowledge for those who could not afford books or magazines or encyclopedias at home. Now they must be the public portal to cyberspace.

So as the Federal Communications Commission considers how to implement the new telecommunications law that encourages universal access, it should lean heavily on the side of giving these public institutions access to fast, quality connections simply at cost.

The telephone and cable industries are fighting to limit this — they still want a chance to make some profit from schools and libraries.

The FCC, which will get recommendations on Nov. 8 for rules governing access, ought to lean heavily on the side of letting schools and libraries pay a simple cost rate without a lot of complex eligibility requirements.

Citizens like those working on Wiring Wisconsin are giving of their time to help build the future. Getting wired is a good start. Keeping public institutions connected at an affordable rate is an ongoing need.

Bridge the knowledge gap

AS THE INTERNET GROWS
Many folks can't afford computers and an online service. Libraries and schools can help *if*. . .

Who's going to be road kill on the information superhighway? If knowledge is power — and if the Internet is going to keep causing profound changes in the way knowledge is stored and disseminated — then the folks most likely to be clobbered are those who lack access to personal computers and the 'Net.

Who might these have-nots be? Fixed-income senior citizens; small businesses; and the many low- and middle-income families who can't afford personal computers and online services.

They'll be left behind unless the time-proven benefits of free public libraries are adapted to the age of cyberspace. Just as the reading rooms, periodicals, reference books, and circulating collections empowered generations of Americans during the age of print, so can tomorrow's libraries empower by providing access to the Internet.

If they can afford to do so, that is. According to the American Library Association, only 9 percent of the nation's public schools and 28 percent of its libraries currently have access to the Internet. How much access they'll be able to provide may well depend on decisions now pending in Washington.

The Federal Communications Commission is drafting rules to carry out the landmark Telecommunications Act of 1996 — and rules to guide state regulatory agencies such as Florida's Public Service Commission.

Much is at stake. The new law sets a laudable goal: that every library and school be linked to the Internet. Now it's up to the FCC to decide *how* such services will be provided — and at how much of a discount below rates paid by businesses and other users.

Discounted "e-rates" for libraries and schools would be a timely adaptation of the venerable American principle of "universal service." In an earlier America, that principle ultimately led to telephone service and electric power in almost every home — even homes in areas isolated by geography or poverty. So-called lifeline rates for very basic services helped this society achieve this important goal.

With the Internet there's a glitch: The up-front cost of computers and modems (and the machines' rapid obsolescence) is daunting to many adults who grew up with inexpensively leased phones and electrical appliances that sometimes lasted for decades.

So the obvious way to offer universal service for those who want to surf the 'Net but can't afford the board is this: Set rates low enough that all libraries and schools can afford to provide public access to the Internet. Otherwise, the gap between knowledge's haves and have-nots could grow dangerously wide.

The Miami Herald

MONDAY, OCTOBER 14, 1996